Population Forecasts

2005 Annual Meeting Update

Presented November 18, 2005

Colorado Department of Local Affairs

Population Forecasts

- Revised population forecasts
- Age distribution
- Labor force participation

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Economic-Demographic Projections System

- ◆ Demand of labor is forecasted
  - ■ Use CBEF's most current forecast
- ◆ Supply of labor is projected
  - ■ Cohort-component model survives residents
  - ■ Assumed age-sex labor force participation rates applied
- ◆ Forecasting Worksheets prepared
- ◆ Outreach

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2005 Population Forecasts

- Reflects recent work completed by several Western Slope local governments.

- Incorporates revised assumptions regarding El Paso County population after assignment of additional military personnel and recently awarded defense contracts.

- Includes information from Denver Regional Council of Government on county share of Denver Metro Area growth.

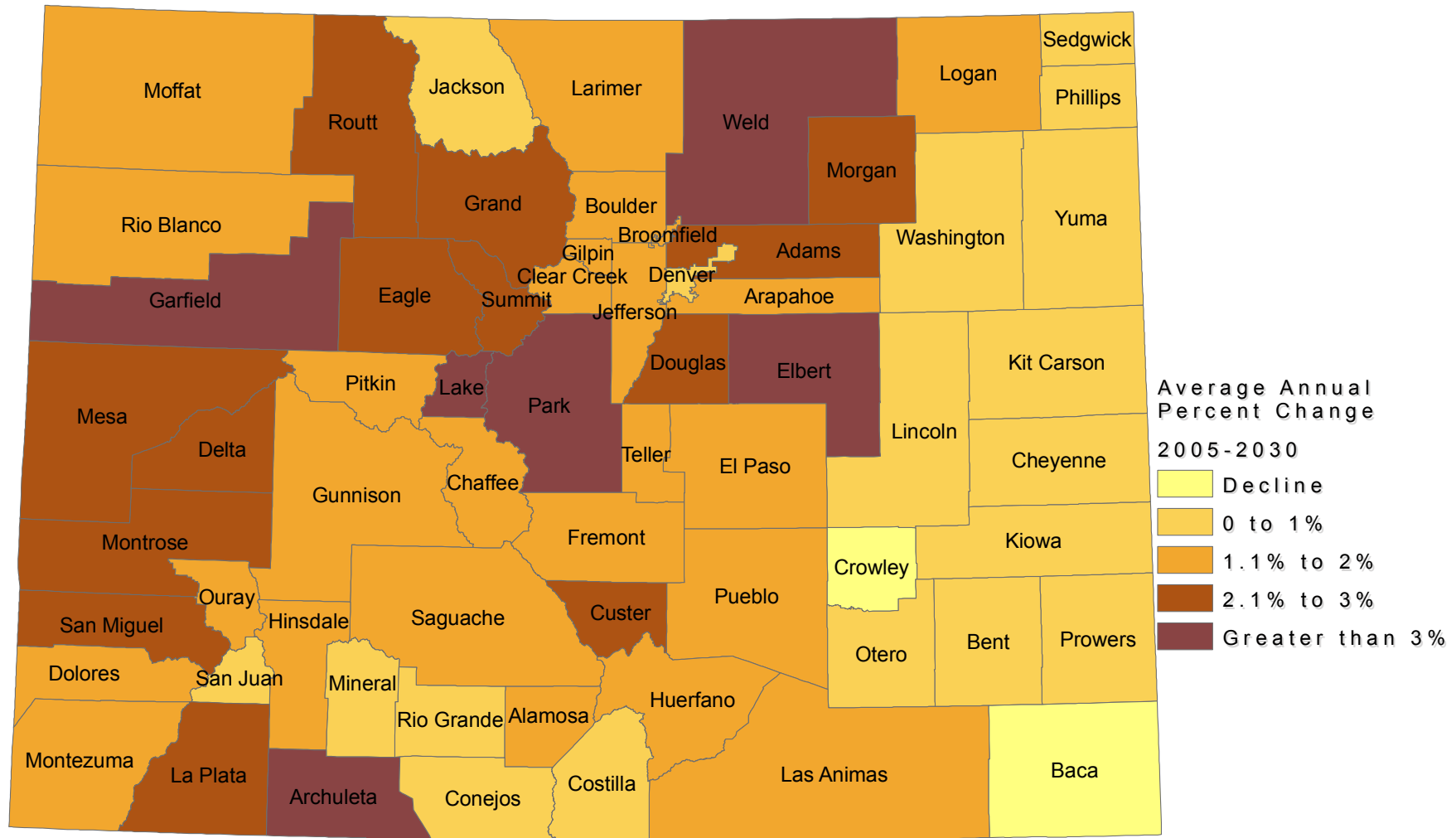# Expectations of Growth Colorado's Sub-State Areas

- ◆ Metropolitan Front Range
  - Regional center in Rocky Mountain Region.
  - The region is still cost-competitive.
- ◆ The Western Slope and Central Mountains
  - Second home use and traditional tourism remain strong.
  - Energy related mining and other activities pick up.
- ◆ The Eastern Plains and San Luis Valley
  - Value-added agriculture is helping.
  - Tourism, prisons, manufacturing, and retirees

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Colorado 2030 Forecast

- ◆ Colorado Population 7.4 million in 2030
  - ■ Compared to 7.2 million in 2030 released last year.
- ◆ Population increase of 100,000 per year.
  - ■ Compared to 75,000 from 2000-2005.
- ◆ Components of change
  - ■ increases from 2000 to 2005 mainly due to natural increase (births minus deaths).
  - ■ Roughly 60% of forecasted increase due to net migration to Colorado.

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Colorado Population Forecast 2005 - 2030
Annual Average Percentage Change

Average Annual Percent Change 2005-2030

- Decline
- 0 to 1%
- 1.1% to 2%
- 2.1% to 3%
- Greater than 3%

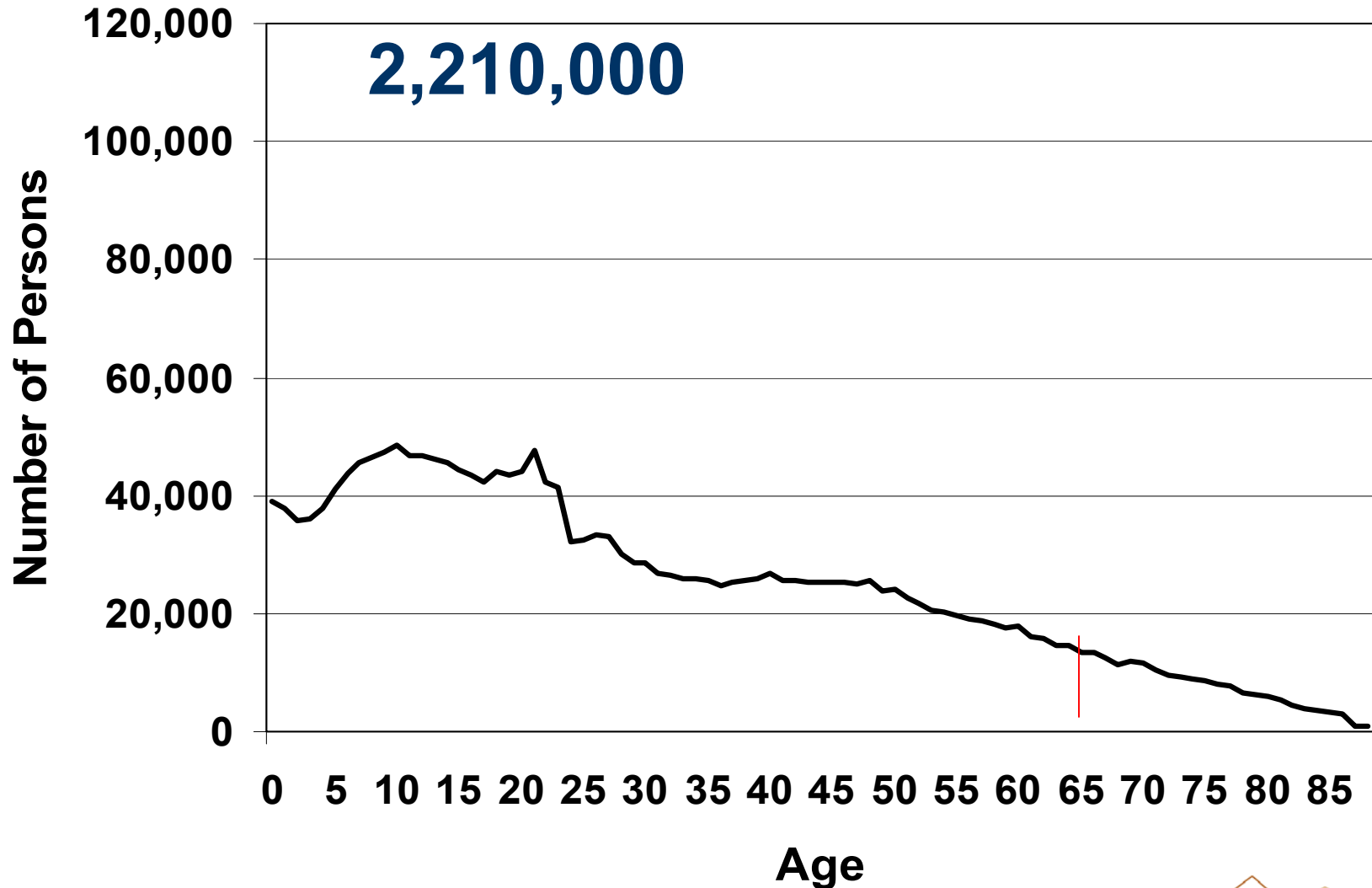Colorado Department of Local Affairs

Source: State Demography Office

A Major Demographic Factor Affecting the Growth of the Colorado Population:

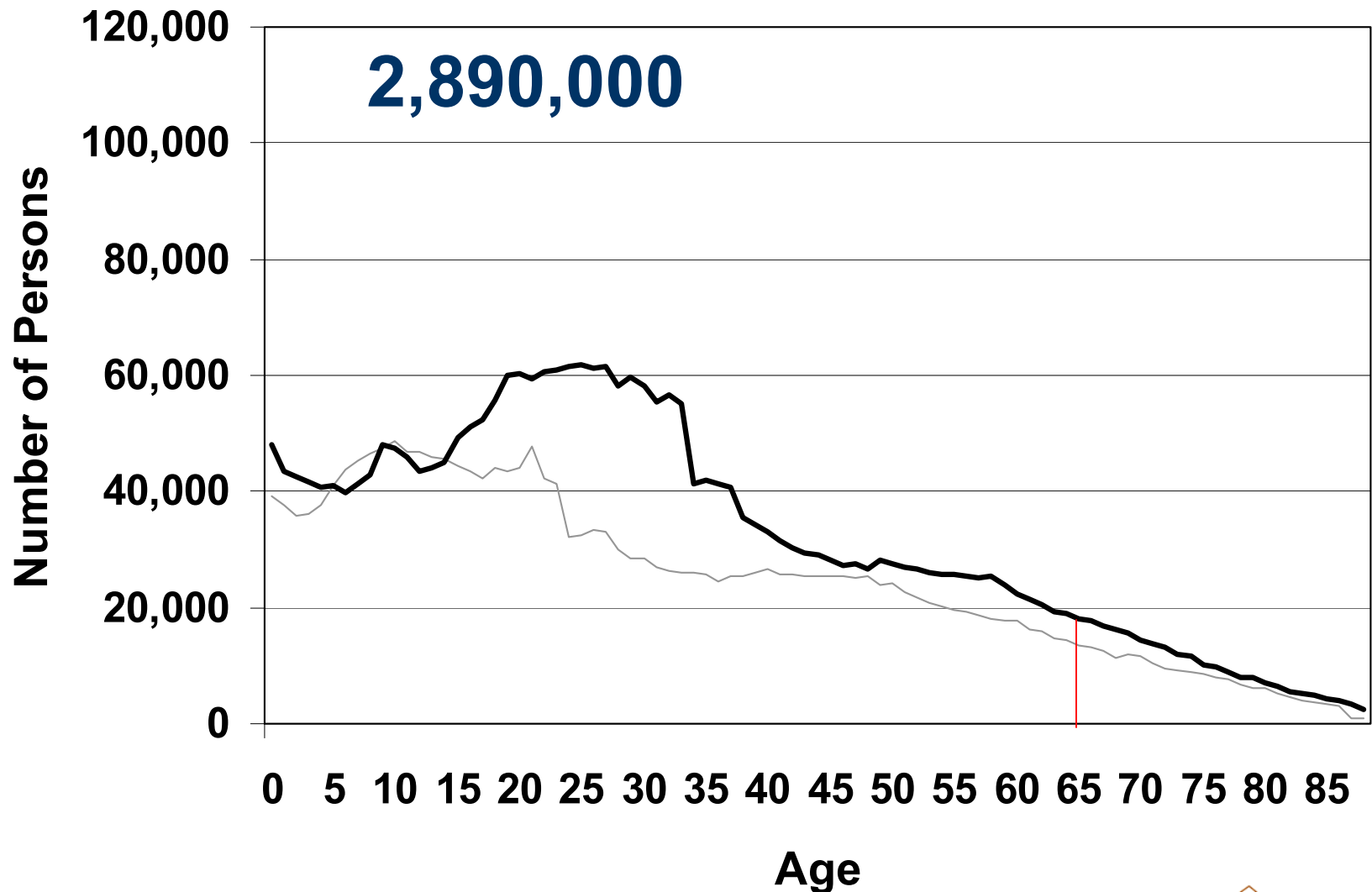## The "Aging" of Colorado's and the Western U. S.'s Population of Baby Boomers

Aging of Colorado's Population

- Aging of the baby boomers
  - Born (1946 – 1964).
  - Ages 41 to 59 in 2005.
  - In 2010 the first "Boomers" will reach 65.
- Between 2000 and 2020, Colorado's population 55 to 64 will more than double.
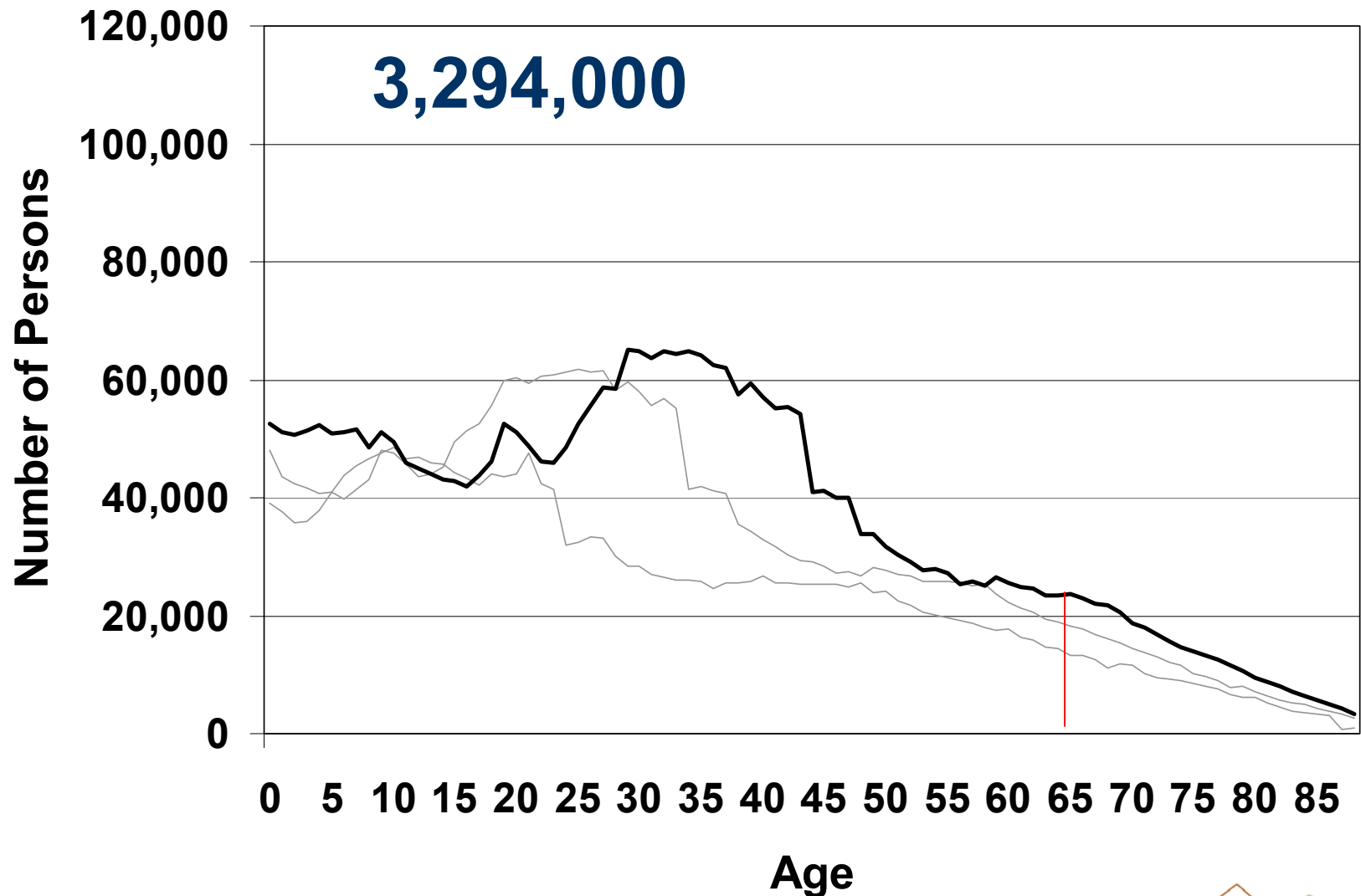
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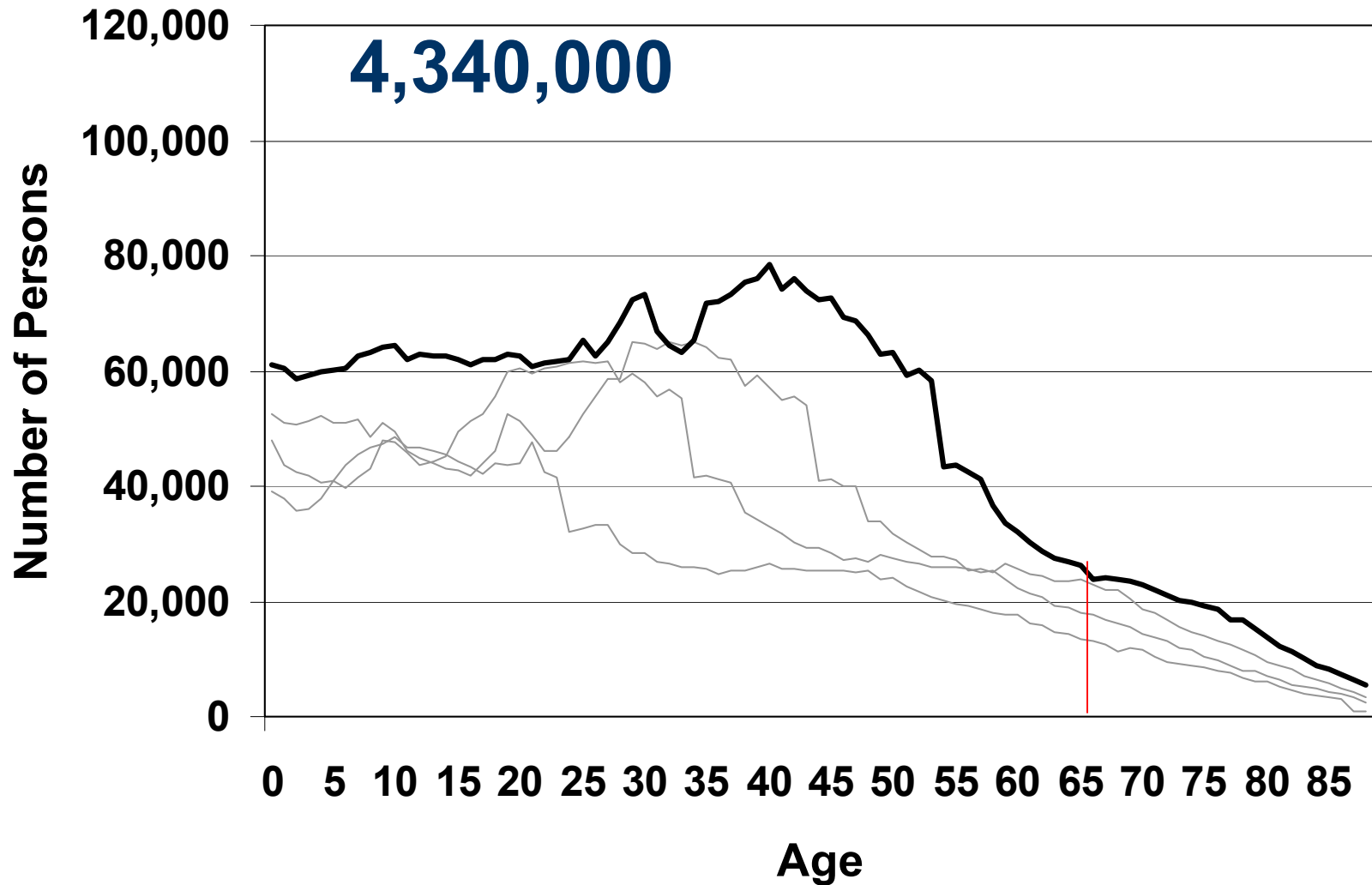
Colorado Population by Age 1970

2,210,000

Number of Persons

Age

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Colorado Population by Age 1980

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Colorado Population by Age 1990

3,294,000

Number of Persons (y-axis): 0, 20,000, 40,000, 60,000, 80,000, 100,000, 120,000

Age (x-axis): 0, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85

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Colorado Population by Age 2000

4,340,000

Number of Persons vs. Age

Colorado Population by Age 2010

5,200,000

Number of Persons (y-axis): 0, 20,000, 40,000, 60,000, 80,000, 100,000, 120,000

Age (x-axis): 0, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85

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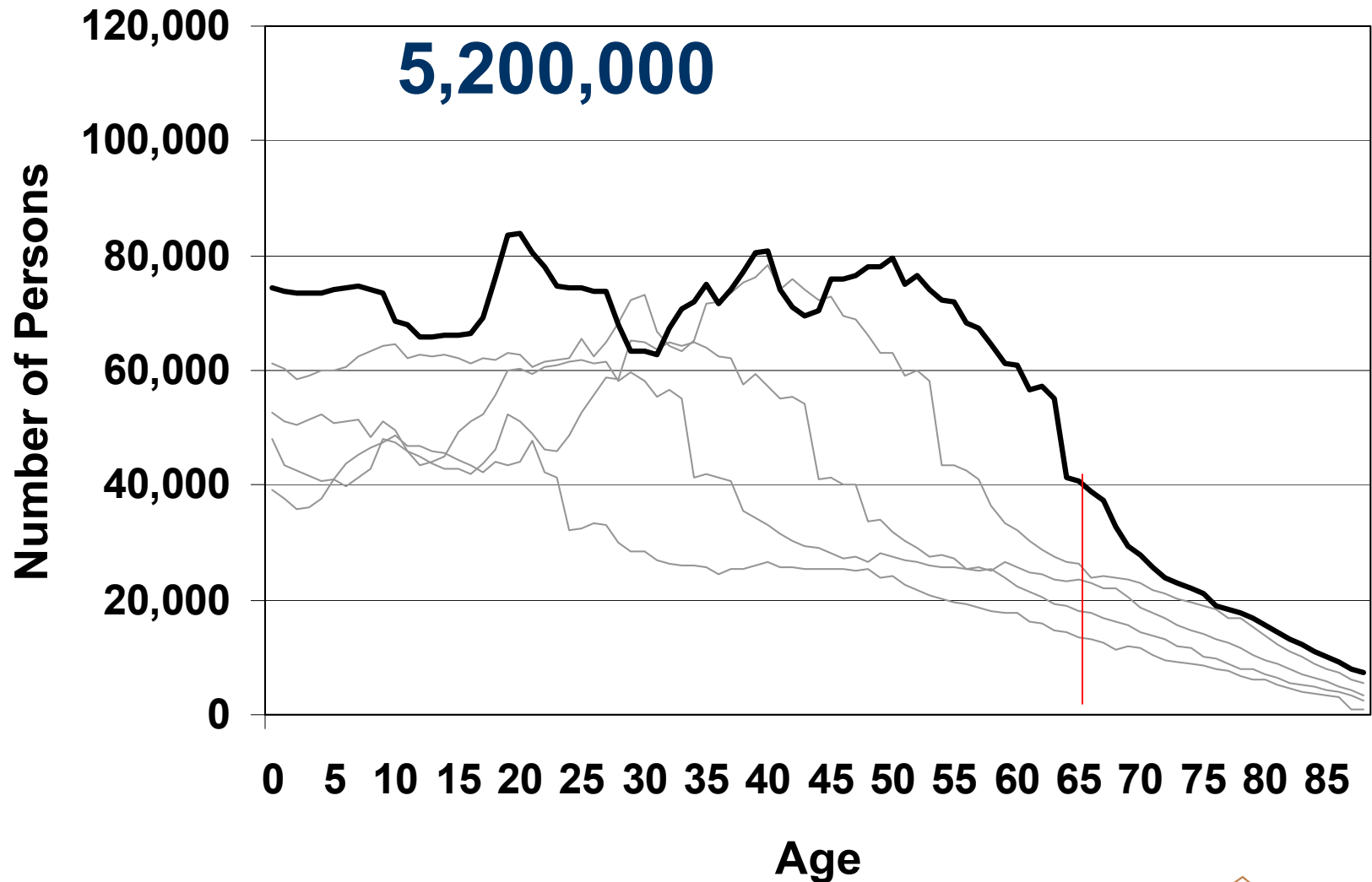
Colorado Population by Age 2020

Colorado Population by Age 2030

7,330,000

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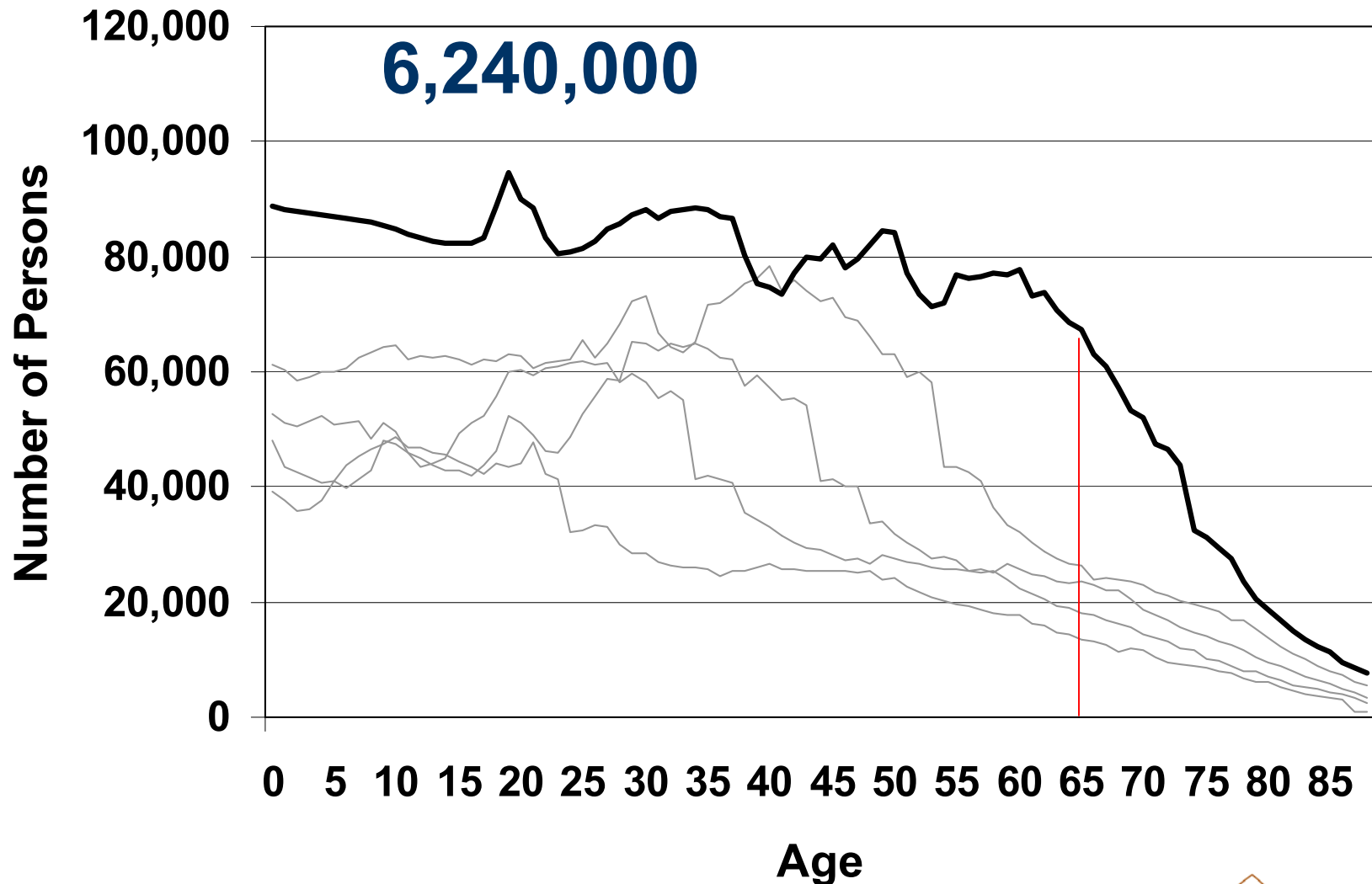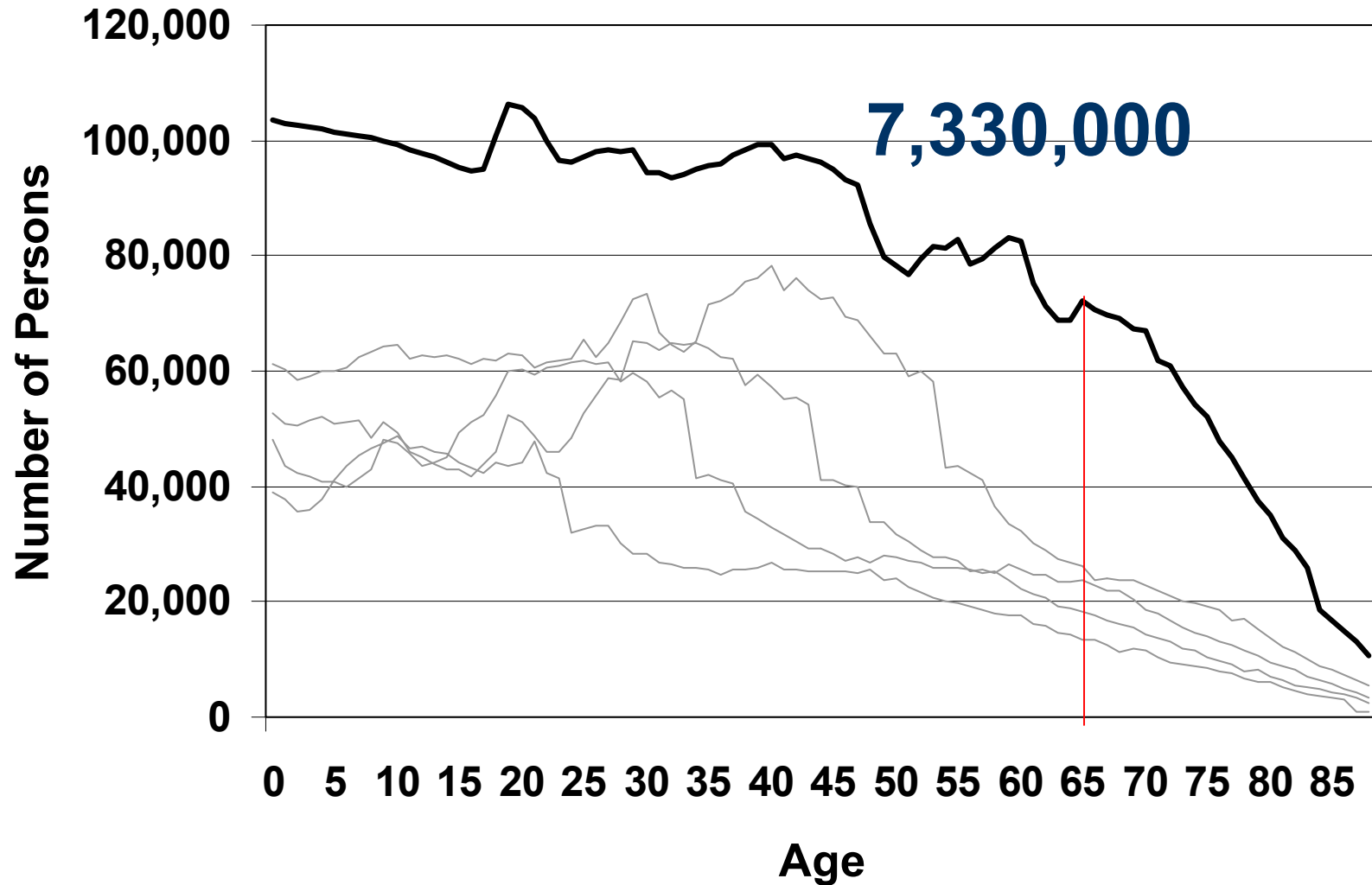
Colorado Population Age 65+
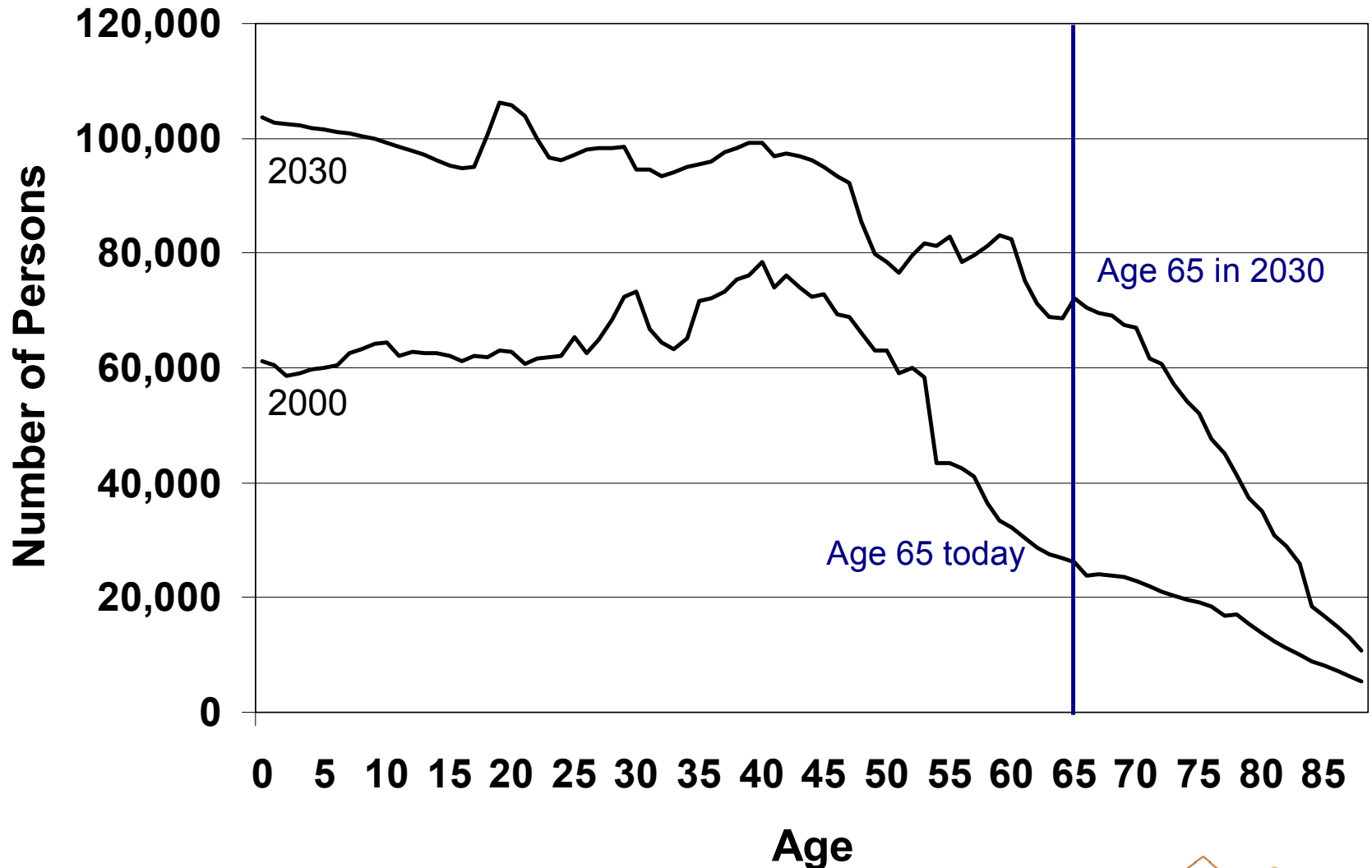
Population Pyramids 2005

United States

Male

Female

Colorado

Male

Female

| | | 85+ | | |
| 80 - 84 |
| 75 - 79 |
| 70 - 74 |
| 65 - 69 |
| 60 - 64 |
| 55 - 59 |
| 50 - 54 |
| 45 - 49 |
| 40 - 44 |
| 35 - 39 |
| 30 - 34 |
| 25 - 29 |
| 20 - 24 |
| 15 - 19 |
| 10 - 14 |
| 5 - 9 |
| 0 - 4 |

5 4 3 2 1 0 1 2 3 4 5

5 4 3 2 1 0 1 2 3 4 5

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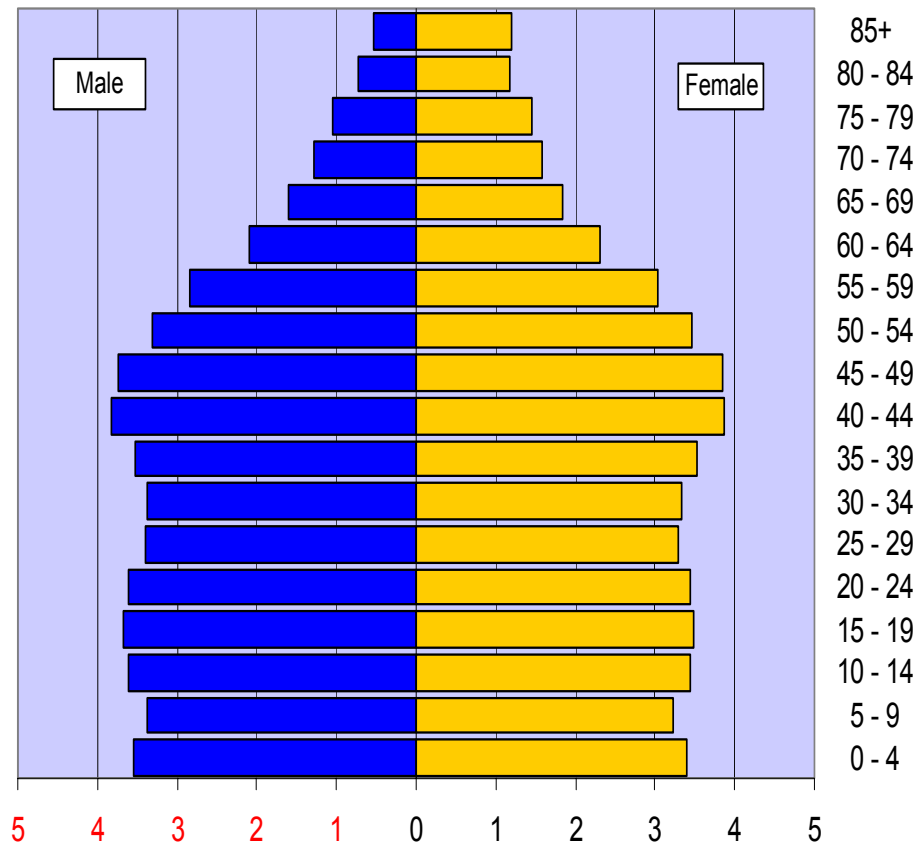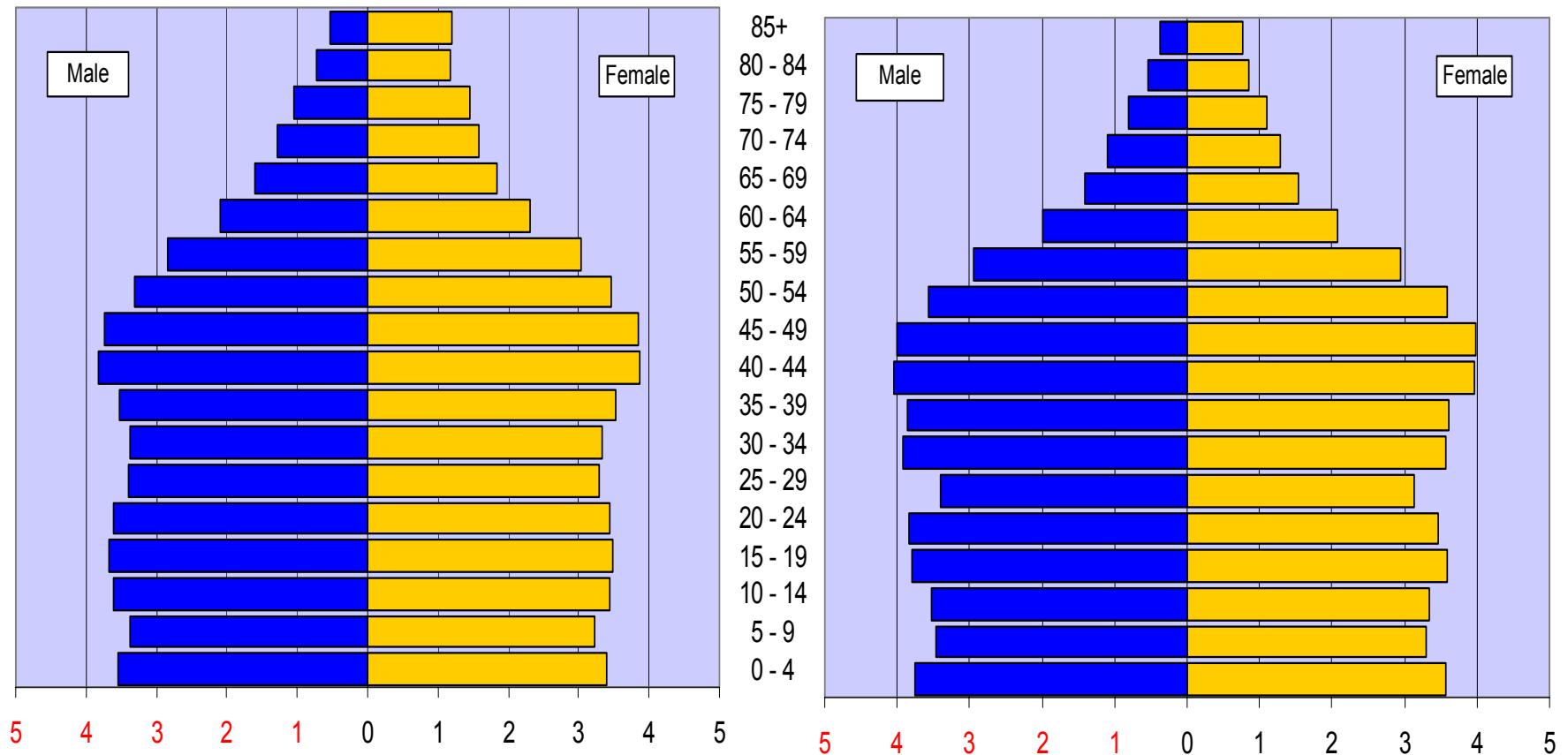
Population Forecasts

Old age dependency ratio (persons 65+/ persons20 to 64)

	2000	2030	Percent Increase
Colorado	15.8	27.2	72%
United States	20.4	36.3	33%

Colorado's aging population

- Numbers 65+
    - from 400,000 in 2000 to over 1.2 million in 2030.
- Wealthier – economic driver
- Healthier
    - Young Old - Active
    - Old Old – Service Demands, New Issue
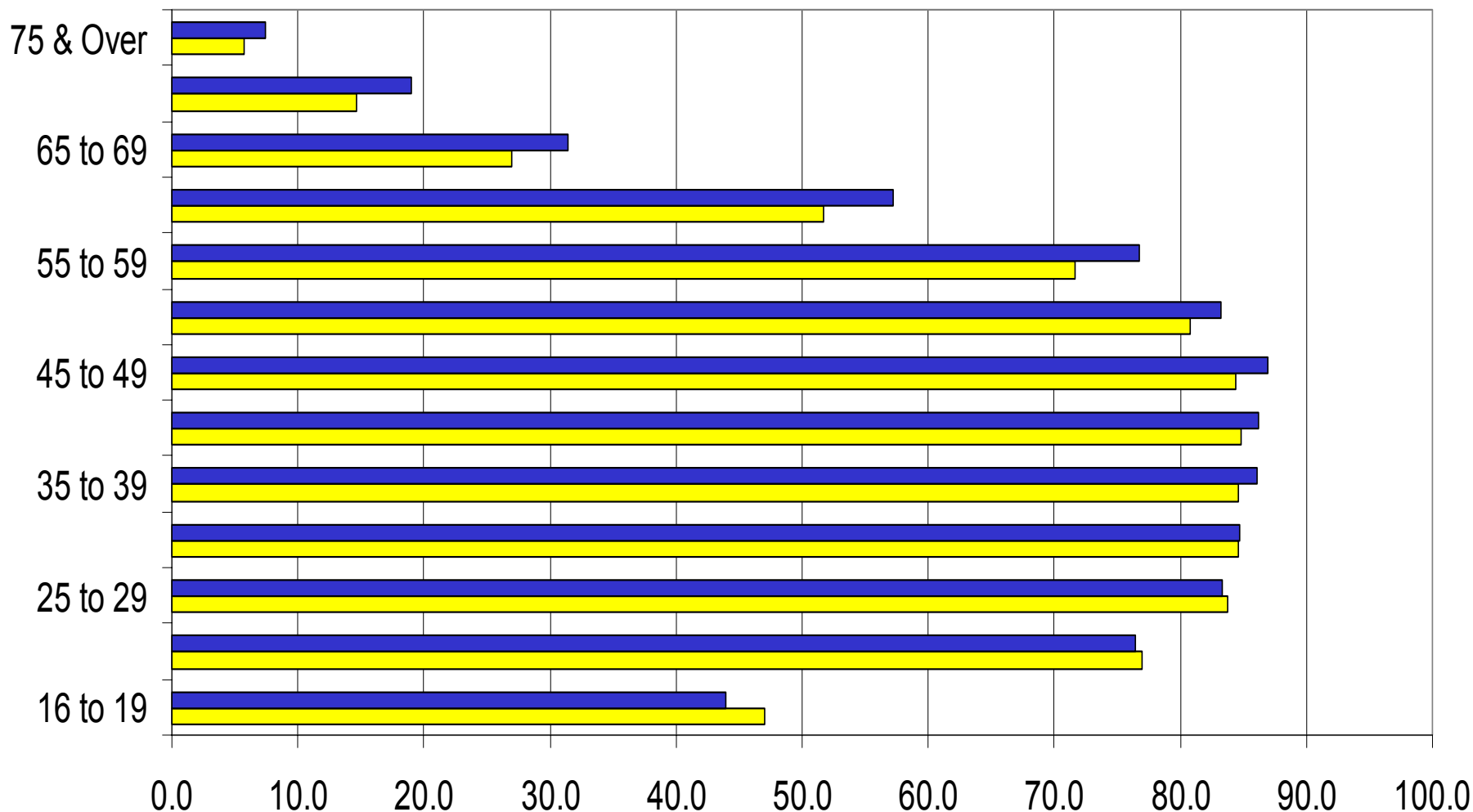- Labor force

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Colorado's labor force

◆ Primary variable used to relate the economy to the population.

◆ Labor force demand is derived from the number of jobs available.

◆ Labor force supply is derived from the non-institutional population by age multiplied by age and gender specific labor force participation rates.

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Colorado's labor force participation rates

	1970	1980	1990	2000
U.S.	58.2	62.0	64.4	67.0
Colorado	60.1	67.4	68.9	71.1
Colorado standardized		64.4	67.5	68.6
Real differences		2.4	3.1	1.6
Due to age		3.0	1.4	2.5

Labor Force Participation Rates By Age in 2000

Colorado Labor Force Participation Rates

Age	2000	2010	2020	2030
16 to 19	48.6	43.6	43.3	43.4
20 to 24	77.1	77.0	77.3	77.3
25 to 29	84.4	83.4	83.7	83.6
30 to 34	84.9	85.5	85.8	85.7
35 to 39	85.8	87.2	87.3	87.3
40 to 44	86.7	87.1	87.4	87.4
45 to 49	87.0	87.8	88.2	88.0
50 to 54	82.7	84.5	86.2	86.0
55 to 59	73.6	78.4	81.5	81.5
60 to 64	51.9	59.9	69.1	69.3
65 to 69	28.1	33.2	46.6	46.7
70 to 74	17.4	20.3	26.9	27.0
75 to 79	9.7	10.8	15.6	15.7
80 & over	4.3	4.9	7.8	8.0
Total	**71.5**	**71.5**	**71.6**	**69.7**

Dynamics of the labor force
Percent Change

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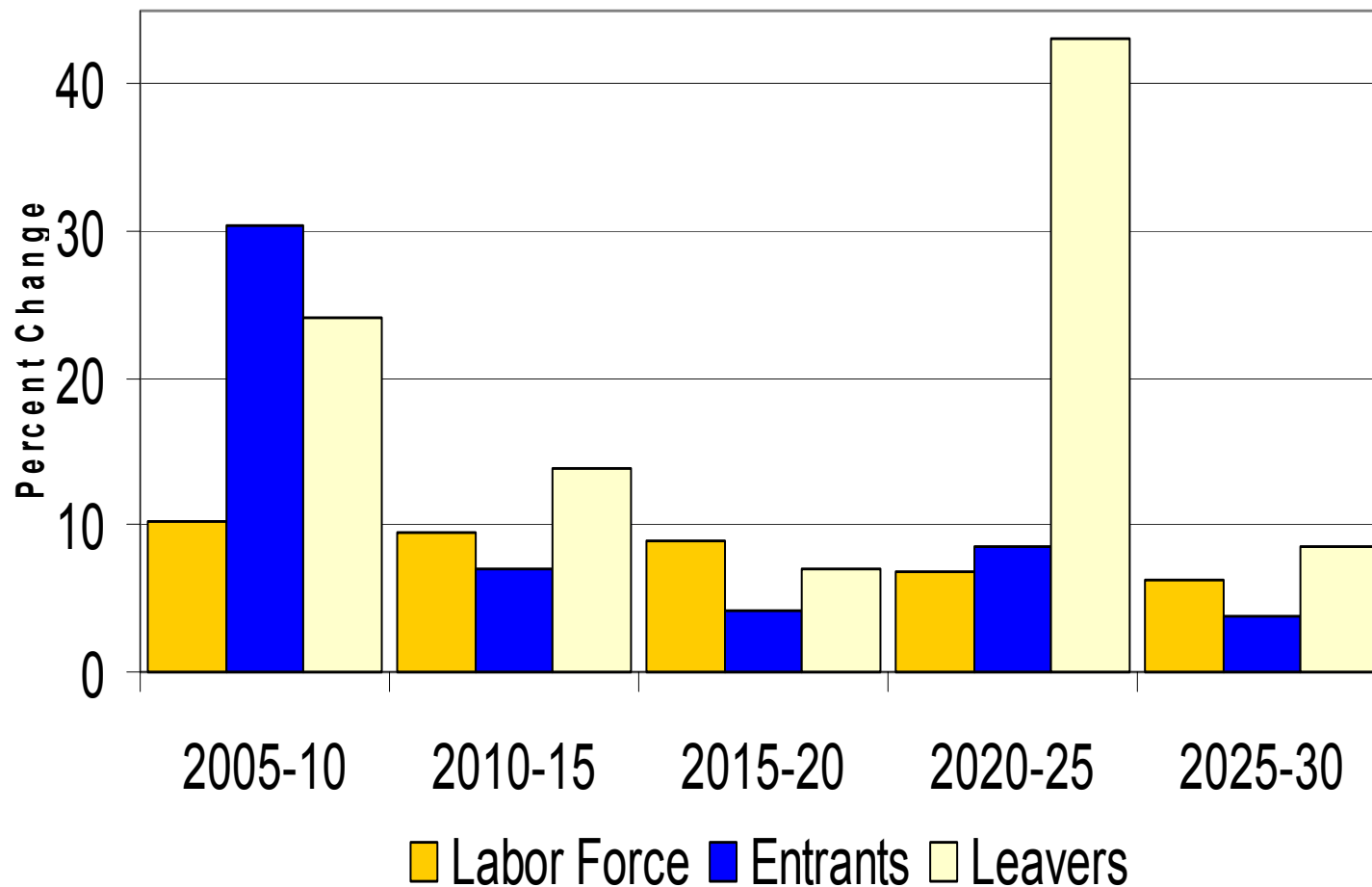
Colorado Labor Force Participation Rates 2005
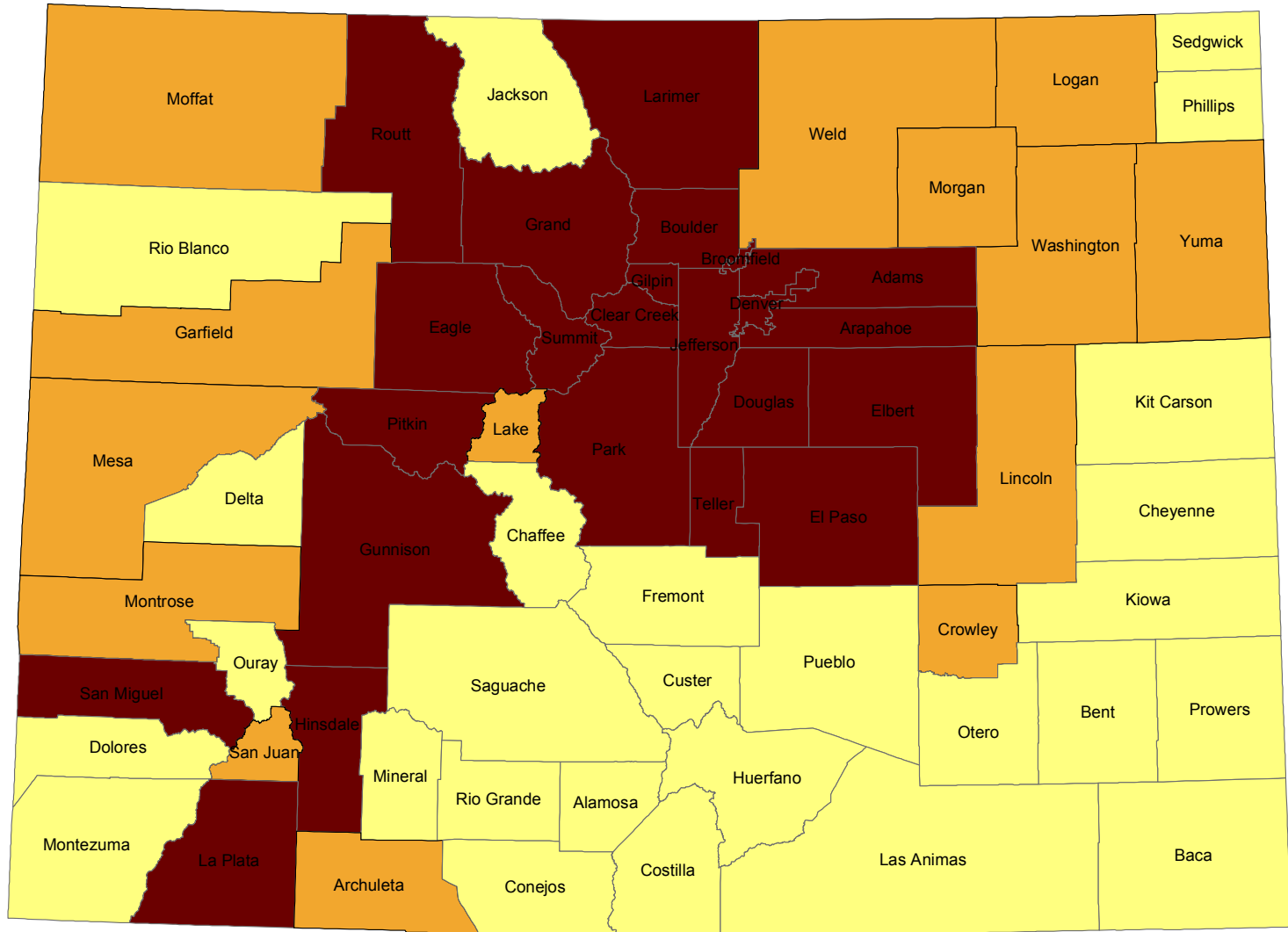
LFPR

- 53.6 - 63.0
- 63.0 - 70.0
- 70.0 - 80.6

Prepared by the Demography Office, Colorado Division of Local Government, 2005.

Region Labor Force Participation Rates

	2000	2030	Standardized to Front Range 2030
Front Range & Resort Region	74.1	71.5	71.5
Northern Region	65.5	67.0	66.6
Southern Region	62.0	65.4	65.1

Colorado's Population Estimates

- ◆ Estimated at 4,653,023 in July 2004
  - ■ 1.4 % change from 2003 to 2004
  - ■ 1.8% average annual change since 2000.
- ◆ 26,828 Net migrants
- ◆ 39,427 natural change (births – deaths)

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Colorado's population

◆ Comparison with Census Bureau Estimate
  ▪ (12,000 adj. to Census 2000)

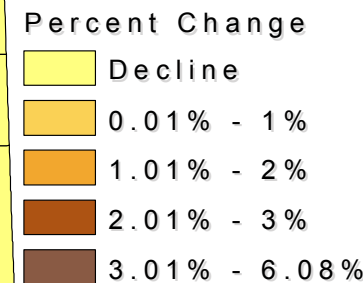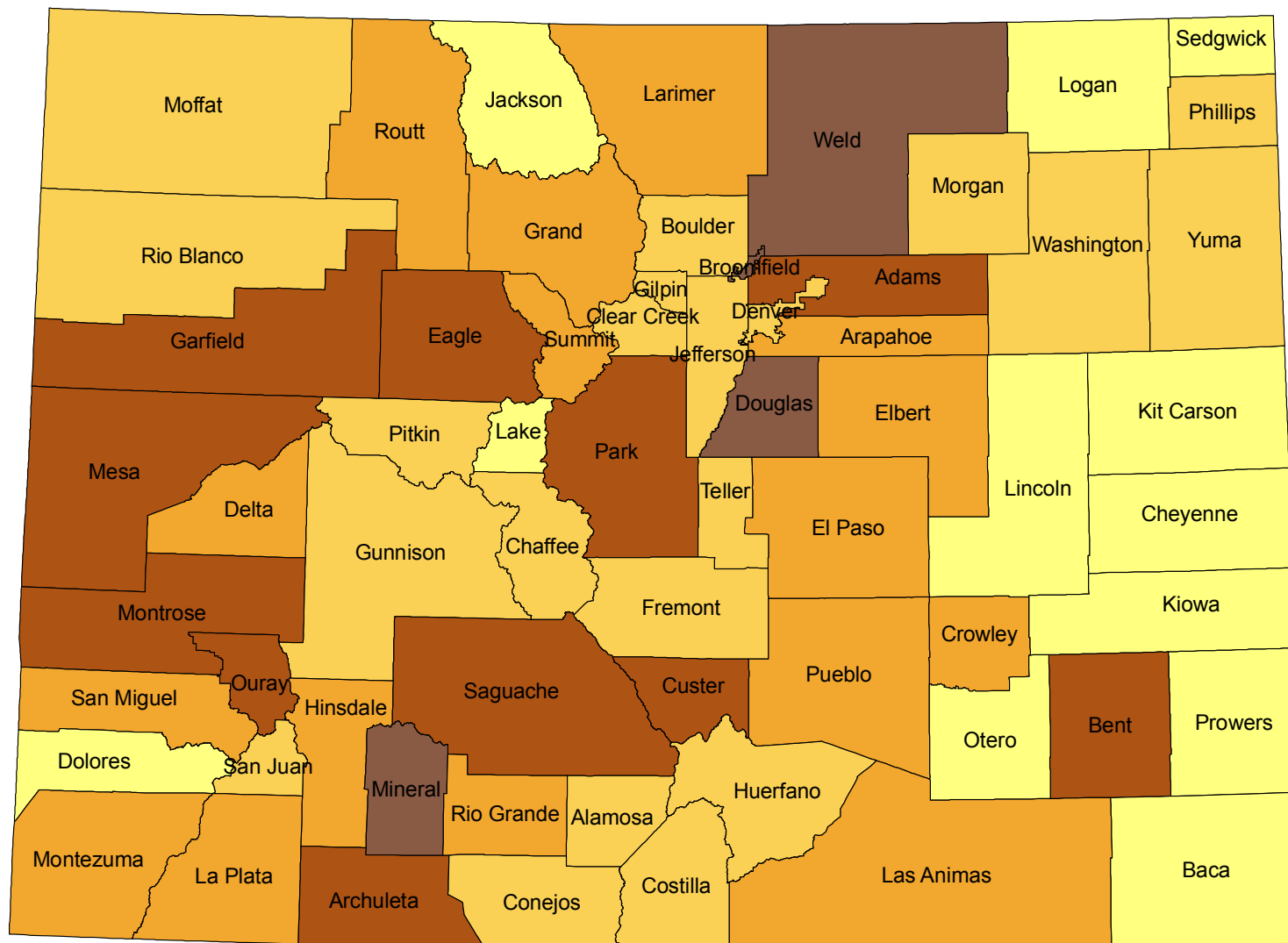|	Net Migration	Total Pop. 2004
USCB	15,292	4,601,403
SDO	26,828	4,653,023

◆ USCB breakdown of net migrants
  ▪ Net out-migration of 6,317 residents
  ▪ Net in-migration of 21,609 international migrants

Population Change By Region

Colorado Population Estimates By Region 2001 - 2004						
REGIONS/Counties	SDO Est. July, 2001	SDO Est. July, 2002	SDO Est. July, 2003	SDO Est. July, 2004	ABS Ch. 2001 - 04	Ave. Ann. Pct Ch. 2001-04	2003-04
COLORADO	4,446,928	4,521,824	4,586,761	4,653,023	206,095	1.5%	1.4%
FRONT RANGE	3,630,715	3,694,151	3,747,776	3,805,792	175,077	1.6%	1.5%
WESTERN SLOPE	479,858	488,557	496,738	504,864	25,006	1.7%	1.6%
CENTRAL MTNS.	128,425	129,883	131,160	131,143	2,718	0.7%	0.0%
SAN LUIS VALLEY	46,867	47,142	47,888	48,526	1,659	1.2%	1.3%
EASTERN PLAINS	161,063	162,091	163,199	162,698	1,635	0.3%	-0.3%

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COLORADO POPULATION GROWTH 2001-2004

Percent Change

- Decline
- 0.01% - 1%
- 1.01% - 2%
- 2.01% - 3%
- 3.01% - 6.08%

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10 Fastest Growing Counties 2001-04

	% Ch.		Abs. Ch.
Douglas	6.07%	Douglas	38,781
Mineral	4.14%	Adams	32,995
Weld	4.01%	Weld	24,205
Broomfield	3.19%	Arapahoe	23,919
Adams	2.96%	El Paso	21,051
Archuleta	2.81%	Larimer	8,917
Bent	2.78%	Denver	8,548
Ouray	2.37%	Mesa	7,686
Eagle	2.30%	Pueblo	5,345
Saguache	2.23%	Boulder	4,031

Growth in Colorado 2000-2004

Area	PMR	Incorporated	Unincorporated
Area	Colorado	1.85%	**2.08%**
Front Range	Region 2	3.93%	0.20%
	Region 3	1.64%	**2.82%**
	Region 4	1.56%	**2.30%**
Pueblo	Region 7	0.46%	**3.86%**
Eastern Plains	Region 1	0.96%	0.88%
	Region 5	0.32%	**2.19%**
	Region 6	-0.81%	0.48%
SLV	Region 8	0.74%	**1.61%**
Western Slope	Region 9	1.89%	1.51%
	Region 10	3.36%	0.60%
	Region 11	2.87%	1.48%
	Region 12	2.46%	1.72%
Central Mountains	Region 13	0.61%	0.86%
	Region 14	0.08%	**3.31%**

Housing Units

- ◆ Housing unit growth has slowed from 3.5% between 1998-1999 to 2% between 2003-2004

- ◆ Denver area unsold homes
  - ▪ 10,400 in 2000
  - ▪ 28,000 in 2004
  - ▪ 25,800 in 2005

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COLORADO HOUSING UNITS 2001-2004

Percent Change

2001-2004

- No Growth
- 0 to 1%
- 1.01 to 2%
- 2.01 to 3%
- Over 3%

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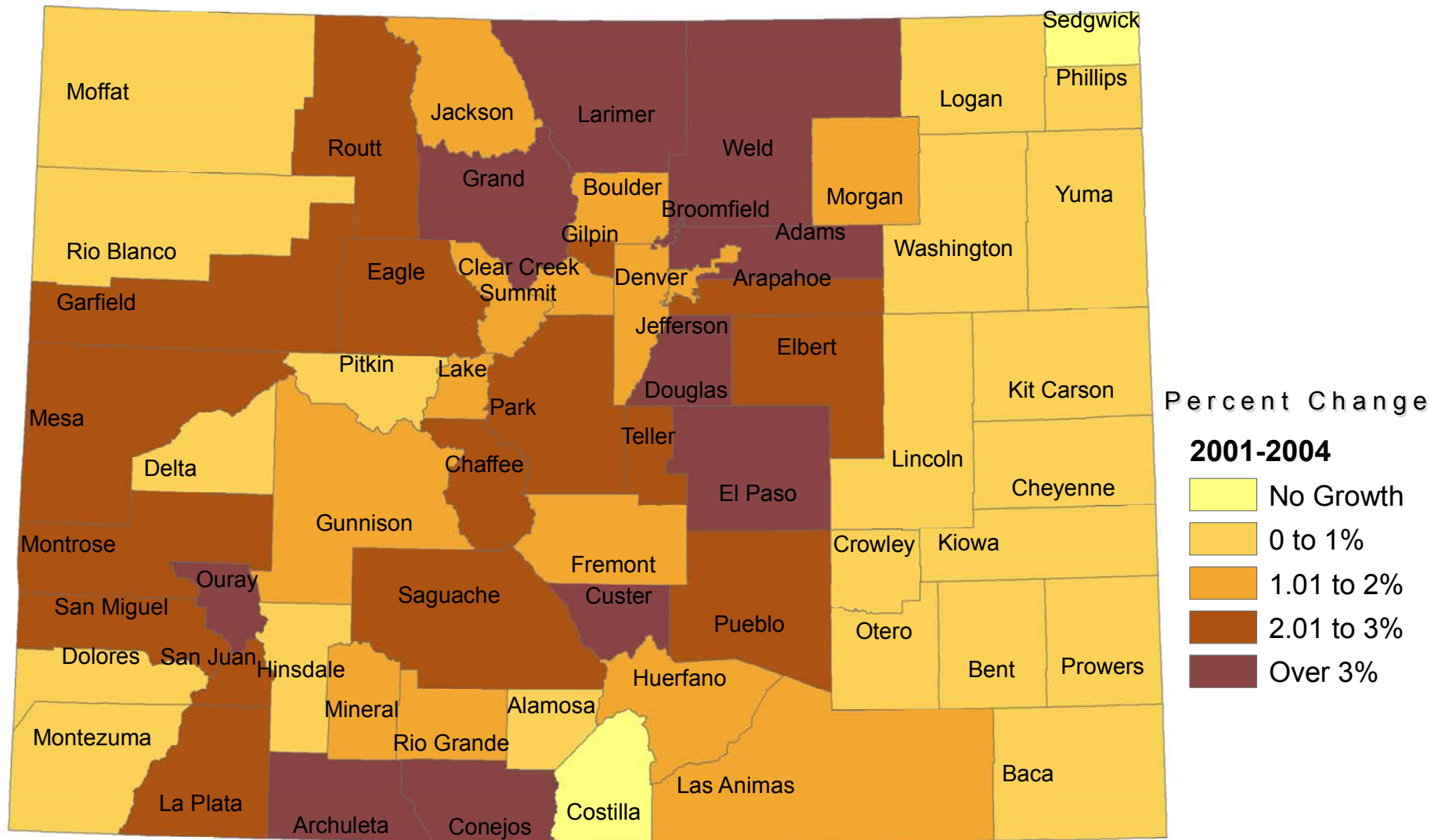
10 Fastest Growing Counties in Housing Units 2001-04

	% Ch.		Abs. Ch.
Douglas	7.05%	El Paso	19,694
Weld	5.26%	Adams	17,496
Ouray	4.47%	Douglas	16,351
Archuleta	4.31%	Arapahoe	15,183
Custer	4.23%	Denver	12,120
Adams	4.21%	Weld	11,635
Broomfield	4.06%	Larimer	10,426
Conejos	3.43%	Jefferson	6,931
Grand	3.28%	Boulder	5,486
Larimer	3.09%	Mesa	4,589

Population and Housing Estimates

Colorado	Total Housing Units	Total Population	Pop./HU
1998	1,719,248	4,102,491	2.39
1999	1,779,663	4,215,984	2.37
2000	1,820,909	4,326,414	2.38
2001	1,882,221	4,446,928	2.36
2002	1,939,676	4,521,824	2.33
2003	1,989,555	4,586,761	2.31
2004	2,028,564	4,653,023	2.29
Example	2,028,564	4,853,023	2.39

Population Estimates Calendar

Estimates:	
November	Initial Estimate of state total
December 31	U.S. Census Bureau Colorado total
January - April	Data analysis: births, deaths, net migration, employment, Medicare, school enrollment,
April	Mailing initial estimate of county, municipal and special district <u>housing units</u> for review and update.
June 1	Deadline for receiving housing unit updates.
August 1	"Preliminary" county, muni. & special district population and household estimates mailed for review.
Sept. Oct.	Staff reviews local challenges
November	"final" county, muni., district

Local Participation in Estimates Process

- ◆ Good data is invaluable in our process.

- ◆ Housing unit data – building permits and <u>certificates of occupancy</u> are best source of information.

- ◆ Locally collected is better than report from Census Bureau
  - Over 100 entities send us their information
  - Could use more participation
  - Local assistance and cooperation in providing the housing data is greatly appreciated.

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